CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

NOVEMBER 7, 2006

INVOCATION:
Pastor Keith Williams of LifeWay Fellowship Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Orach led the pledge of allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Police Chief Macagni, Community Development Director Lindsey, Fire Chief Ortiz, Director of Utilities Sweet, Director of Administrative Services Snodgrass, Director of Public Works/City Engineer Whitehead, Planner III Kimball, Planner II Halvorson, and Chief Deputy City Clerk Perez.

ANNOUNCEMENTS
City Manager Ness announced that he had selected Principal Engineer David Whitehead as the new Director of Public Works/City Engineer to replace Rick Sweet who had been appointed as the Director of Utilities. Mr. Whitehead has been with the City for 15 years and was very qualified to assume his new duties.

Mayor Lavagnino stated that at the last meeting Salvador Gascon had made a comment that the City Council took action behind closed doors. In response to Mr. Gascon's comment, he had said they may do things that way in Guadalupe, but not in Santa Maria. Mayor Lavagnino stated he had apologized to the Mayor of Guadalupe and wanted to publicly apologize to the citizens of Guadalupe.

PUBLIC COMMENT
Ernest Armenta congratulated David Whitehead on his promotion to Director of Public Works/City Engineer. He asked that Mr. Whitehead and City Manager Ness develop a plan to increase AB1600 fees to replace the dollars that the City would lose when Measure D failed. He requested that the City Council amend the ordinance which does not allow commercial vehicles to park on private property. He asked to have the Planning Commission and Recreation and Parks Commission meetings on public access television.

Gordon Chambers spoke in favor of the commercial vehicle ordinance and suggested the appropriate place to park commercial vehicles was at the business parking lot.

James Edwards spoke regarding enforcement of the commercial vehicle ordinance and particular situations regarding his father and other neighbors. He asked for amendments to the ordinance and requested the Council direct Code Enforcement to cease implementation of the ordinance until the Council could consider his recommended changes.

Kelly White, Food Bank of Santa Barbara County, announced that the Food Bank would need about 5,700 turkeys and non-perishables to provide the needy families of the area with Thanksgiving dinner. She indicated that on Friday, November 17th, Albertsons in Santa Maria, Santa Barbara and Lompoc would be having a buy-one-get-one-free sale so people could donate the free turkey to the Food Bank.

CONSENT CALENDAR
Councilmember Trujillo asked that Item 3C be pulled for discussion. Councilmember Patino requested Item 3D be pulled for comment. Councilmember Mariscal asked to have Item 3C and 3I pulled for comment.

Item 3C – Memorandum of Understanding with the Service Employees International Union for part-time employees.
Councilmember Trujillo stated he had received a number of calls on this issue. He said after reading the staff report, he felt he needed more information on the costs before he could support it.

Councilmember Mariscal referred to a letter the Council had received from Mary Ann King who asked a number of questions about why this item was on the agenda. He explained that this was a Memorandum of Understanding for part-time employees who work for the City and had voted to be represented by a union. Because they had elected to be represented by a union, the City was compelled to negotiate with them and approve an agreement with them. He said a few meetings ago he made a point of stating that all staff reports should include a fiscal impact statement and a community impact statement. He felt that the fiscal impact analysis was lacking in this particular report. He asked what the exact dollar amount of this agreement was going to be.

Assistant City Manager Haydon replied staff had an idea what the projected cost of the package would be. This was the first MOU with the part-time employees, so there were a number of financial issues in the agreement such as medical insurance. The projected cost was based on the worst case scenario.

Councilmember Mariscal stated he understood that, but he would be more comfortable if even the projected cost had been listed in the staff report.
Councilmember Trujillo stated he had the same concerns and needed to know what the cost to the City would be.

Councilmember Mariscal stated he would appreciate having the item come back with a detailed fiscal impact statement in the staff report.

City Manager Ness requested that Assistant City Manager Haydon describe the process that the City had to go through to get to this point with the union.

Assistant City Manager Haydon explained that in March the City was presented with a petition from a group of 32-hour, part-time employees stating they wanted to join a union. Based on the City's policies and procedures and the Meyers-Milias-Brown Act, the City was required to allow the part-time employees to vote on whether they wanted to join a union. With the help of the State Mediation and Conciliation Service, a mail ballot election was held with all 79 part-time employees receiving a ballot. The results of the election showed that a majority of the part-time employees voting voted in favor of joining the union. That election started the clock ticking to negotiate an agreement with the part-time employees. Staff had to start from scratch in developing a Memorandum of Understanding because there wasn't anything in place for part-time employees at the time. Staff tried to mirror, where appropriate, the full-time SEIU MOU but cater it to the needs of the part-time employees. Over the next few months, City staff negotiated with SEIU representatives and came up with the proposal that is before Council.

Councilmember Mariscal stated he didn't fault the employees for wanting to be represented by a union and didn't have a problem with the process that was followed; however, he did have some trepidation approving something when he didn't really know what the cost would be. He requested the item be continued to the next meeting with the fiscal impacts addressed in the staff report.

On motion by Councilmember Mariscal, seconded by Councilmember Trujillo, and carried on the following vote, the Memorandum of Understanding with SEIU for part-time employees was continued to the next meeting.

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Item 3D – Citywide Travel and Expense Reimbursement Policy
Councilmember Patino asked about the mandatory 2-hour ethics training that was required by AB 1234. She asked if that was for elected and appointed officials only or if employees would also be attending the training.

Assistant City Manager Haydon explained that managers and supervisory staff would be attending as well. He explained that the 2-hour training sessions would be Thursday, November 30th from 2:00 p.m. to 4:00 p.m., on Thursday, December 7th from 2:00 p.m. to 4:00 p.m. This training would be applicable to the City Council, Planning Commission and Recreation and Parks Commission. In addition, San Luis Obispo would also be holding a training session on December 13th, and there was a self-study course on the internet that could be used if someone missed the training.

Mayor Lavagnino stated in the staff report it said in 1968 the policy was amended to include the current per diem rate of $35 per day along with new compensation and reimbursement requirements. He asked what the new requirements were.

Assistant City Manager Haydon explained that the new reimbursement requirement was based on the U.S. Government per diem schedule which is specific to the geographic area you would be traveling to.

Item 3I – Agreement with Nestor Traffic Systems, Inc., for Photo Enforcement of Red Light Violations.
Councilmember Mariscal stated he appreciated staff being able to work out an agreement with Nestor Traffic Systems. As the City grows, traffic grows with it. This is a tool to allow the City to help the residents understand they need to drive more carefully. He announced that the initial trial period which the City thought would only be one year, would be a three-year trial period. He asked that staff avail themselves of the opportunity to move the red light cameras to other locations during the trial period if the Police Department deemed it necessary. He said one of the reasons he was happy that the City had chosen Nestor Traffic Systems, Inc., was because it was the company that Caltrans was comfortable working with. The City's two main streets, Broadway and Main Street, were State highways. Some of the more severe traffic collisions have happened on those two main corridors. He commended staff for being able to negotiate a contract.

Mayor Lavagnino asked what the grace period would be after the cameras were installed.

Deputy City Attorney Sinco explained that there would be a 30-day warning period before citations were issued.

Councilmember Orach asked if statistics could be gathered from the pictures on how many of the red-light offenders were talking on cell phones, eating or drinking and not paying attention.

Ernest Armenta asked if Nestor Traffic Systems would have access to everyone's drivers license information. He asked who would be monitoring Nestor to insure they kept that information confidential.

Consent Calendar Items A through J except C were approved on motion by Councilmember Orach, seconded by Councilmember Mariscal, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar are adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of October 17, 2006, were approved as submitted.

C. MEMORANDUM OF UNDERSTANDING
A Memorandum of Understanding between the City of Santa Maria and the Service Employees International Union (SEIU) for part-time employees was continued to the next meeting.

D. TRAVEL AND REIMBURSEMENT POLICY
Resolution No. 2006-177 was adopted amending the Citywide Travel and Expense Reimbursement Policy.

Resolution No. 2006-177 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE CITYWIDE TRAVEL AND EXPENSE REIMBURSEMENT POLICY.

E. WARRANTS
Warrant Nos. 130531 to 130952 in the amount of $5,944,482.96 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant No. 130217 was canceled.

F. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

G. GATEWAY MONUMENTS
Council reviewed and approved the proposed preliminary gateway monument locations and designs prior to submittal to Caltrans.

H. NOVATION AGREEMENT
Resolution No. 2006-178 was adopted approving a Novation Agreement for permits, crossing improvement, and crossing installation agreements with the Santa Maria Valley Railroad (SMVRR) and Coast Belle Rail Corp.

Resolution No. 2006-178 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A NOVATION AGREEMENT CONCERNING SANTA MARIA VALLEY RAILROAD.

I. RED LIGHT PHOTO ENFORCEMENT SYSTEM
Council approved an agreement with Nestor Traffic Systems for the installation of a Red Light Photo Enforcement System and authorized the execution of the agreement.

J. SIENA AT WESTGATE
Resolution No. 2006-179 was adopted approving a final Subdivision Map and Agreement for Siena at Westgate, Tract 5892, generally located south of Battles Road, east of Westgate Road, north of Marsala Road, and west of Blosser Road.

Resolution No. 2006-179 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE SUBDIVISION MAP AND AGREEMENT FOR SIENA AT WESTGATE, TRACT 5892.

FINANCIAL REPORT FOR FIRST QUARTER ENDING SEPTEMBER 30, 2006, AND A BUDGET AMENDMENT REPORT – FISCAL YEAR 2006-07.

Director of Administrative Services Snodgrass gave the staff report. With 25 percent of the year complete, revenues are at 15.5 percent of projections while expenditures are at 23.9 percent of appropriations. Operating revenues are $7.7 million or $190,000 more than last year at this time. Operating expenditures are $12.3 million. The top five revenue sources account for about 58 percent of total General Fund revenues received. Sales tax receipts are within $50 of last year's sales tax receipts. Vehicle License Fee receipts are approximately $101,000 more than last year. Property tax receipts are received in December and April of each year; therefore, the City has not received property tax as of September 30, 2006. Operating costs are on target for the first quarter. In the Water/Wastewater Fund, expenditures exceed revenues by $15.3 million as a result of the Department of Water Resources (DWR) and Central Coast Water Authority (CCWA) fixed costs for 2006-07, which are paid a year in advance as required by agreements. A budget amendment report has been included which recommends personnel, job specifications, and operational changes related to the Fiscal Year 2006-07 First Quarter Budget Report.

Resolution No. 2006-180 was adopted approving amendments to the budget for fiscal year 2006-07 on motion by Councilmember Trujillo, seconded by Councilmember Patino and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2006-180 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AMENDMENTS TO THE BUDGET FOR FISCAL YEAR 2006-07 AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT SAME.

MAYOR LAVAGNINO RECESSED THE CITY COUNICL MEETING AT 7:20 P.M. IN ORDER TO CONVENE AS THE REDEVELOPMENT AGENCY.

CHAIRPERSON LAVAGNINO CONVENED THE REDEVELOPMENT AGENCY MEETING AT 7:20 P.M.

ROLL CALL: Board Members Mariscal, Orach, Patino, Trujillo, and Chairperson Lavagnino were all present.

GOTTSCHALKS LOT LINE ADJUSTMENT, TRACT 5927, APPLICATION FOR THE GALAXY THEATRE PROJECT.

Director of Utilities Sweet gave the staff report. The Mall at Santa Maria, LLC has received approval for the construction of a new multiplex theater facility in the existing Gottschalks building near the corner of East Cook Street and South Broadway. Building permits are nearly ready for issuance; however, part of the new building construction will occupy land owned by the Redevelopment Agency. The proposed building addition for the expansion of the first floor of the existing Gottschalks building is necessary so that the proposed Galaxy Theater tenant improvements may occur on the second floor of the building. The first floor expansion will cross existing lot lines and will occupy part of the adjacent property owned by the Redevelopment Agency. Since buildings may not be constructed across property lines, a lot line adjustment is necessary. Redevelopment Agency approval is required to authorize the Chairperson and Executive Director to sign the lot line adjustment application.

Planner III Kimball showed colored renderings of the addition to Gottschalks and the Galaxy Theater and explained that the Lot Line Adjustment would transfer 12,000 square feet from the Redevelopment Agency to the Mall at Santa Maria, LLC. The proposed Galaxy Theater would have a total of 13 screens and would consist of approximately 60,000 square feet.

Councilmember Mariscal asked if this lot line adjustment was fee simple so that once this was recorded, the land would be the Mall's in perpetuity.

Director of Utilities Sweet stated that was correct; however, there was another action the Redevelopment Agency would be taking in the future in which this action could be leveraged. That would be the Reciprocal Easement Agreement which is the all encompassing agreement between the Redevelopment Agency, the Mall owners, Gottschalks, and May Company.

Councilmember Mariscal stated this lot line adjustment has to take place for the Mall expansion to take place. He asked if there was some type of compelling clause the City could attach to the lot line adjustment that says if the owners didn't go forward and build the theaters, they must pay the Redevelopment Agency for the 12,000 square feet.

City Attorney Trujillo stated the Council approved the basic Memorandum of Understanding some time ago which contained provisions that if the project never developed, the property would revert back to the Redevelopment Agency. There would also be construction bonds required so that if the project was started and not completed, the City would be able to exercise the bonds to restore the parking lot to its original condition.

Councilmember Mariscal asked if there could be something put into this agreement that the mall be required to move forward with the development of the theater project.

City Attorney Trujillo stated the Council had already agreed to the basic outline of the deal in the Memorandum of Understanding. Adding a provision like that would require an amendment to the Memorandum of Understanding. He said staff had taken every step possible to protect the City and the Redevelopment Agency should the deal fall through.

Ernest Armenta stated the Town Center Mall was pretty sad. He said as a taxpayer, he was not in favor of giving property away. The taxpayers want something for this property.

Resolution No. 2006-01 was adopted authorizing the Chairperson and Executive Director of the Redevelopment Agency to sign the Lot Line Adjustment for Gottschalks on motion by Board Member Orach, seconded by Board Member Trujillo and carried on the following vote:

AYES:	Board Members Mariscal, Orach, Patino, Trujillo, and Chairperson Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2006-01 adopted. A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING THE CHAIRPERSON AND EXECUTIVE DIRECTOR TO SIGN THE GOTTSCHALKS LOT LINE ADJUSTMENT, TRACT 5927, APPLICATION FOR THE GALAXY THEATER PROJECT.

Having no further business to come before the Redevelopment Agency, Chairperson Lavagnino adjourned the Redevelopment Agency Meeting at 7:40 p.m.

Mayor Lavagnino reconvened the City Council Meeting at 7:40 p.m. with all members present.

CITY MANAGER'S REPORT

City Manager Ness reported on items for the November 21, 2006, City Council meeting including public hearings for a General Plan Amendment and Zone Change for La Ventana II, and a General Plan Amendment and Prezoning for the Quail Run Annexation. The Redevelopment Agency will conduct a public hearing to consider an amendment to the Reciprocal Easement Agreement for the Galaxy Theater.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Trujillo reported he had attended a Coastal Business Finance luncheon on October 27th. They loan money to businesses, and they do a lot of good.

Mayor Lavagnino reported on the Pre-Dedication Ceremony for the new Veteran's Clinic in Santa Maria. There were over 400 people in attendance including Congresswoman Lois Capps. When they approached the City about building a clinic, the City made a commitment to help them get it built. The clinic is expected to open in February.

Councilmember Patino reported that she had attended the Golden Anniversary of the Moose Lodge. She said she didn't realize how much the Moose Lodge does for youth in the community and throughout the United States.

Councilmember Patino reported on the City Employees Service Awards banquet on Thursday, November 2nd. She also reported on attending the Halloween festivities in Isla Vista with Supervisor Joni Gray and Supervisor Brooks Firestone. She said it was such a waste of County resources. The kids were drinking too much, and it was costing the County too much money.

Councilmember Mariscal talked about the loss of Joe Prandini who was the General Manager of Bonipak and Bonita Farms. He reported on his attendance last Saturday at the Noon-Time Rotary fundraiser. It was a great time.

Councilmember Mariscal also talked about the Santa Maria Valley Railroad being sold. The new owners would be starting a dinner train with the first inaugural dinner train on Thursday, November 9th. It would be an old 1930's train with a nice dining car. The train will go all throughout the Valley and would be unique to the area.

Councilmember Mariscal announced that the Altrusa Club would be doing its annual Christmas Tree fundraiser. People decorate and donate a Christmas Tree and Altrusa sells them to raise money for scholarships and for literacy programs. He and his wife would be sponsoring a music-based Christmas Tree.

Councilmember Mariscal stated in the last couple of weeks there had been some discussion in the community with respect to issues in the Police Department related to morale and possibly other personnel issues. One of the things that people have asked him was why the City of Santa Maria, with close to 100,000 people, did not have a citizens commission or something like that. He said he did some research on the Internet and found a comprehensive report done by the City of Eugene, Oregon. He distributed the report to the Council and asked staff for a report in the future explaining the pros and cons of having something like this.

Councilmember Patino asked if it was possible to do a management audit of the Police Department for best practices. She asked if there were places or consultants that do that type of audit.

City Manager Ness explained there were opportunities available to the City as well as consultants that do management audits.

Mayor Lavagnino stated he didn't have a problem looking at anything, and he was willing to take whatever action was necessary to try to build a bridge between the Santa Maria Police Department, the Chief and the Council.

City Manager Ness stated if the Council felt so inclined, that a motion should be made providing direction to staff to review different oversight models for the Police Department using this report. Staff would agendize a report and also include options associated with a management audit if that was the Council's direction.

On motion by Councilmember Mariscal, seconded by Councilmember Patino, and carried unanimously, staff was directed to review different oversight models for the Police Department and bring back a report which included options associated with a management audit.

Mayor Lavagnino asked City Attorney Trujillo to postpone taking any action on the citations on Creston Street until the matter has been thoroughly investigated.

City Attorney Trujillo announced that there had been warning notices issued, but no citations.

Mayor Lavagnino announced that Attorney Michael B. Clayton would be hosting his 6th annual free Veterans Day Barbeque and Parade on November 11th at 400 East Orange Street.

Councilmember Orach announced that on Wednesday, the Chamber of Commerce would be having their annual "Host a Youth" luncheon for Future Business Leaders at the Abel Maldonado Center. They are short sponsors for about 30 youth.

CLOSED SESSION
Council recessed to Closed Session at 8:03 p.m. for Conference with Legal Counsel regarding Liability Claims pursuant to Subdivision (a) of Section 54956.95 of the Government Code; Claimants – Safeco Insurance, a Subrogee for Antonio Arroyo (City Claim No. 06-07); Agency Claimed Against: City of Santa Maria.

After the Closed Session, the following was announced:

Conference with Legal Counsel – Liability Claim (Safeco Insurance): Direction to staff.

ADJOURNMENT
There being no further business to come before the City Council at this time, the meeting was declared adjourned at 8:18 p.m. by order of Mayor Lavagnino.

APPROVED

November 21, 2006
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor of the City of Santa Maria